

COUNTY OF KAUAI
Minutes of Meeting
OPEN SESSION

Board/Committee:		Cost Control Commission	Meeting Date	August 8, 2016
Location	Mo`ikeha Building – Liquor Conference Room No. 3		Start of Meeting: 1:30 p.m.	End of Meeting: 2:13 p.m.
Present	Chair Joanne Nakashima; Vice-Chair James Whitfield; Members: Tyler Rodighiero, Glen Takenouchi and Tricia Lynn Yamashita. Also present: Board & Commissions Office Staff: Support Clerk Mercedes Omo; Administrator Jay Furfaro; Office of the County Attorney: First Deputy County Attorney Matthew Bracken			
Excused	Commissioners Jan Hashizume and Laurie Yoshida			
Absent				

SUBJECT	DISCUSSION	ACTION
Call To Order		Chair Nakashima called the meeting to order at 1:30 p.m. with five (5) members present constituting a quorum.
Approval of Minutes	Regular Open Session Minutes of April 11, 2016.	Commissioner Takenouchi moved to approve the meeting minutes of April 11, 2016. Commissioner Rodighiero seconded the motion. The motion carried 4:0
Business: CCC 2016-07	<p><u>Presentation by Boards and Commissions Administrator Jay Furfaro on establishing the maximum salaries for certain officers and employees of the County of Kaua'i.</u></p> <p>Jay Furfaro, Administrator for the Office of Boards and Commissions, gave a summary on a packet of information which included historical decision-making factors utilized by the Salary Commission, market comparisons, Honolulu Consumer Price Index from 2010-2014, bargaining unit rate increases for the past seven (7) years, market comparisons and salary inversions for Police, Fire and public safety. Touching upon, the County's payroll taxes and benefits associated with the budget as well as the County's Capital Improvement Projects.</p>	

SUBJECT	DISCUSSION	ACTION
	<p>Administrator Furfaro stated that the Salary Commission plans to meet in September to discuss the possibility of making a recommendation to increase the salaries for the other officials and employees who were not part of the recent salary increase. He shared that one of the concerns the Salary Commission had to deal was trying to evaluate the availability of funds associated with the salary increases. He noted that with the exception of the Police and Fire Chiefs many of the other department heads did not receive a salary increase for the past seven (7) years.</p> <p>Administrator Furfaro stated that the Transient Accommodation Tax is vital to the County's operating budget and for the past four (4) years the State has kept a huge share of the total TAT collected, but by legislative action each of the different counties were given its share of the TAT as follows: 44. % went to the City and County of Honolulu, 22. % to Maui County, 18. % to Hawai'i County, and 14.1% to the Kaua'i County. He also indicated that in the past, the County's share was \$23 million but because of the cap the County's share decreased to \$13.5 million. He added that while there may be a potential revenue prospects in the County's share of the TAT, there remains uncertainty until the close of the next legislative session.</p> <p>Relative to the CIP's, Administrator Furfaro indicated that because the County's share of the TAT had decreased significantly certain transient related roads and bridges maintenance projects had to be placed on hold until the County finds more options to generate revenue to help alleviate its budgetary restraints.</p> <p>Chair Nakashima asked relative to the salary increases, does the County expect the people (who wants to retire) to remain on the job for at least a couple more years to which Administrator Furfaro replied that based on all of the good testimony the Mayor had received from the people who were there during the years when there were no salary increases, he would like to think that the County will still have a solid foundation.</p>	

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	<p>Commissioner Rodighiero asked Administrator Furfaro if he could share his thoughts on the recent salary increases to which Administrator Furfaro replied that 2017 is expected to be another challenging year, and while there may be some potential for increase in revenues in terms of the County's share of the TAT, the County will not know until the legislative session ends.</p> <p>Additionally, Commissioner Rodighiero asked if the salary increases had already gone through and what was the overall amount to which Administrator Furfaro replied that total amount which includes payroll, taxes and benefits was \$800,000. However, not all department heads received the cap, in fact some received an amount lower than the cap.</p>	
Announcements	<p>Chair Nakashima asked if there were any specific items that the Commissioners wanted to see on the next agenda.</p> <p>Commissioner Rodighiero stated that he would be interested in getting information on the County's rents and leases along with a brief explanation on the usage as well as information on the cost and breakdown of the County's CIP projects relating to roads and bridges maintenance.</p> <p>Staff acknowledged Commissioner Rodighiero request and would contact the appropriate agency to obtain the information for the next meeting.</p> <p>With no further discussion, Chair Nakashima announced the next meeting is scheduled for Monday, September 12, 2016, at the Mo'ikeha Building, Liquor Conference Room No. 3.</p>	
Adjournment	<p>With no further discussion, Chair Nakashima declared the meeting adjourned at 2:13 p.m.</p>	

Submitted by: _____
Mercedes Omo, Staff Support Clerk

Reviewed and Approved by: _____
Joanne Nakashima, Chair

- (x) Approved as circulated on September 12, 2016
- () Approved as amended. See minutes of _____ meeting.